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20 JAN 1970

MEMORANDUM FOR: Clandestine Service Personnel

SUBJECT: Liberalized Requirements for Discontinued Service Retirement

1. In order to assist Federal Agencies to effect required manpower reductions, the Civil Service Commission has liberalized the requirements for employees in these Agencies to qualify for discontinued service retirement under the Civil Service Retirement System. Although the Civil Service Commission's revised procedures do not specifically apply to Agency personnel a similar approach to liberalizing eligibility for discontinued service retirement has been approved and is now available to Agency employees in areas where a surplus of personnel exists and where personnel reductions must be effected. As is the case in some other parts of the Agency, we have a surplus of personnel and personnel reductions must take place. The liberalized approach to discontinued service retirement, therefore, will be available for all eligible employees in the Clandestine Service and for Clandestine Service Career Service personnel currently assigned elsewhere. The liberalized procedures will be extended also to the foregoing categories of personnel who are members of the CIA Retirement System and who have completed 25 years of creditable Federal Service.

2. The following criteria must be met in order to qualify for an immediate annuity upon retirement under the discontinued service option:

Civil Service Retirement

a. 50 years of age and have completed 20 years of creditable Federal Service, or

b. Have completed 25 years of creditable Federal Service, any age.

Discontinued Service annuities are reduced one-sixth of one percent per month (2% per year) for each month the individual is under age 55.

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downgrading and
declassification

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SUBJECT: Liberalized Requirements for Discontinued Service Retirement

CIA Retirement

a. Have completed 25 years of creditable service, any age, including 10 years Agency and 5 years Qualifying Service. No reduction in annuity will be made for age.

3. Eligibility for discontinued service retirement under the liberalized requirements will be available only during the period that the Clandestine Service and the CS Career Service are overstrength. Consequently, retirements should be scheduled to be effective in the near future, preferably not later than 30 June 1970. Individuals who will attain eligibility for discontinued service retirement subsequent to 30 June 1970 and prior to 30 June 1971 and who are interested in retirement upon attaining eligibility will also be provided the opportunity for retirement when eligible, providing the Clandestine Service and the CS Career Service are overstrength at the date the individuals schedule for their retirement.

4. Discontinued service retirements under this program may be at the option of the individual, and the previous requirement that the individual's position must have been abolished will not apply. To meet administrative requirements, however, discontinued service retirements will be documented as resignations in lieu of involuntary retirement. In each case, it will be necessary to request the employee's resignation based on a determination that he is surplus to the needs of the Career Service and will accept the request that he resign. We have been assured by the Director of Personnel that "Despite this necessary documentation, the new procedure is, in effect, another form of voluntary retirement and is not adversary in nature."

5. Clandestine Service Career Service personnel who are interested in applying for discontinued service retirement or who desire additional information concerning their eligibility, annuities, benefits, etc. under discontinued service retirement should consult with their Personnel or Support Officer and with the Clandestine Service Personnel Staff, CG-10, ext. 5476. Personnel who are assigned to the Clandestine Service but who are members of other Career Services should contact the appropriate representative of their Career Service.

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Thomas H. Karamessinos
Deputy Director for Plans

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Chiefs of Station and Base

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SUBJECT

MICROFILM

Liberalized Procedure for Discontinued Service Retirement

ACTION REQUIRED - REFERENCES

1. To assist agencies to make adjustments in on-duty strength to conform to reduced personnel ceilings, the Civil Service Commission has liberalized the requirements for employees to qualify for discontinued service retirement under the Civil Service retirement system.

2. The Organization is making this liberalized retirement arrangement available to eligible employees who may be interested in applying for early retirement. Our internal procedures will differ in some respects, however, from those which are applicable generally. Normally, typical reasons which qualify an individual for discontinued service retirement benefits include abolishment of position and the operation of classical reduction in force programs. Under the liberalized approach as adopted for application by the Organization, any eligible employee may elect to accept discontinued service retirement and receive an immediate annuity, without regard to requirements such as the abolishment of his position. The liberalized procedures will be extended also to participants in the Organization retirement system who meet conditions of eligibility specified in paragraph 4 below.

3. An employee in the Civil Service retirement system is eligible to retire under the discontinued service option if he:

- a. is 50 years of age or older and has completed 20 years of creditable Federal service, or
- b. regardless of age, has completed 25 years of creditable Federal service.

His annuity is reduced one-sixth of one percent per month for each month (2% for each year) the individual is under age 55.

4. An employee in the Organization retirement system is eligible to retire under a similar option if, regardless of age, he has completed 25 years of creditable Federal service, including 10 years of Organization service and 5 years of qualifying service. No reduction in annuity will be made for age.

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REFERENCE TO

DISPATCH SYMBOL AND NUMBER

DATE

6 FEB 1970

Book Dispatch #7310

CLASSIFICATION

HQS FILE NUMBER

CONTINUATION OF
DISPATCH

S-E-C-R-E-T

Book Dispatch #7310

5. Since the liberalized retirement procedures may be used only to assist the Organization in reducing the number of personnel on duty to the authorized strength, they may not be continued in effect indefinitely. Retirements under these procedures should therefore be scheduled to be effective in the near future, preferably not later than 30 June 1970. Employees who attain eligibility under the criteria specified above between 30 June 1970 and 30 June 1971 will also be able to retire under the discontinued service option when eligible, provided the overstrength situation on which the modified procedure is based still exists at the time of scheduled retirement.


6. Retirement under the liberalized procedures is at the option of the individual. To meet administrative requirements, however, it will be necessary in each case, after the employee has indicated his wish to retire under the option, for headquarters to request his resignation based on a determination that he is surplus to the needs of the Organization. The retirement will then be documented as a resignation in lieu of involuntary retirement. The Office of Personnel has given the assurance that, despite this necessary documentation, the new procedure is, in effect, another form of voluntary retirement and is not adverse in nature.

7. Any employee, regardless of career service, who is interested in applying for retirement under the option described above, or who wishes to receive additional information concerning eligibility, annuity, benefits, etc., should inform his Chief of Station or Base, who will in turn notify headquarters by a dispatch addressed to the area division concerned. The application or inquiry will be coordinated at headquarters with the responsible career service and the Office of Personnel, and the employee will be given pertinent guidance or instructions as soon as possible.

8. Chiefs of Station and Base are requested to bring the provisions of this dispatch to the attention of personnel who are or may be eligible under the criteria given in paragraphs 3 and 4 above.

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